

## Office of the President

### TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

#### ACTION ITEM – CONSENT

*For Meeting of July 29, 2020*

### CONTINUATION OF LIFE-SAFETY FEE, BERKELEY CAMPUS

#### EXECUTIVE SUMMARY

The UC Berkeley campus requests the Regents renew the Life-Safety Fee. The fee provides funding for needed seismic and other health and life-safety improvements in student services facilities, which are ineligible, in whole or in part, for State-funded maintenance. The fee was first approved by the Regents in 1993. All students enrolled at the Berkeley campus during the regular academic year will continue to be assessed the fee of \$46 per student per term from fall 2020 through spring 2024. Students enrolled in summer sessions will continue to be assessed the fee of \$23 per student from summer 2021 through summer 2024.

#### RECOMMENDATION

The President of the University recommends that the Finance and Capital Strategies Committee recommend to the Regents that the life-safety portion of the Berkeley Campus Fee (Life-Safety Fee) continue at its current level for four years, from fall 2020 through summer 2024, with the following specifications:

- A. All students enrolled at the Berkeley campus during the regular academic year be assessed a mandatory life-safety portion of the Berkeley Campus Fee of \$46 per student per term from fall 2020 through spring 2024.
- B. Students enrolled in summer sessions be assessed a mandatory life-safety portion of the Berkeley Campus Fee of \$23 per student from summer 2021 through summer 2024.

#### BACKGROUND

The Berkeley campus Student Center Fee was established in 1955 and was incorporated following a student referendum, along with other student fees in 1968, into a new fee named the Berkeley Campus Fee. In July 1992, to address life-safety needs, the Regents approved an increase in the Berkeley Campus Fee of \$31.50 per student per semester, effective from spring 1993 through spring 1996. Consistent with University policy, the approved increase did not require a student referendum. The life-safety portion of the Berkeley Campus Fee (Life-Safety Fee) provides funding for needed seismic and other health and life-safety improvements in

student services facilities, which are ineligible, in whole or in part, for State-funded maintenance. The Life-Safety Fee is the Berkeley campus's primary fund source to address the safety needs of student services facilities.

Since 1992, the Regents increased the Life-Safety Fee to \$46 and approved extensions of the Life-Safety Fee for each renewal cycle, most recently through spring 2020, to address additional health and safety projects. Currently, the academic year mandatory campus-based fees total \$1,682.50 for undergraduates and \$1,616.50 for graduate students, of which \$92 is for life-safety.<sup>1</sup> If approved, the Life-Safety Fee would continue at its current level for four years, from fall 2020 through summer 2024. It is estimated that over the four years the Life-Safety Fee will generate about \$15 million, of which about \$5 million (one-third of the fee revenue) will be used for financial aid purposes and about \$10 million will be available for projects.

Revenue from the Life-Safety Fee was originally allocated to fund projects identified by a committee comprised of students and staff. A portion of the funds was targeted for the campus SAFER program (Seismic Action Plan for Facilities Enhancement and Renewal) following the revised evaluation of the campus's seismic needs conducted in summer 1997. Since its inception, the fee has been collected by the campus and either expended or budgeted to fund seismic analyses and repairs, HVAC repairs, elevator replacements, fire alarms and sprinklers, demolition and hazard removal, and resurfacing. Following the September 11, 2001 terrorist attacks, the Regents also approved use of the fee for some campus security projects. The fee has also recently been approved for use to improve pathway lighting on the Berkeley campus.

During the past five years, the Berkeley campus Life Safety Fee Committee, with both student and campus staff membership, has (1) monitored current approved life-safety fee projects, (2) compiled a list of proposed new projects, and (3) examined all projects for scope and priority in order to determine an appropriate amount and duration for an extension of the Life-Safety Fee. The Committee will continue through the duration of the Life-Safety Fee to review project budgets and schedules, approve revised sequencing, and ensure that the uses of revenue from the life-safety fee conform to University and campus guidelines.

### ***Upcoming Projects***

The revenue generated by the four-year extension, along with the projected carry-forward of approximately \$4.6 million, is expected to fund those projects listed in the Attachment (including a ten percent contingency for unanticipated project costs). If the campus wishes to use available life-safety fee funds for new projects that are not listed in the Attachment or have not previously appeared in Regents' items, the campus will obtain approval from the Office of the President for the new project(s) in question.

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<sup>1</sup> The term charge for the Life-Safety Fee is \$46 in fall, \$46 in spring, and \$23 in summer. Academic year mandatory campus-based fees "...of which \$92.00 is for life-safety" refers to the total fall and spring charges, as summer fees are not considered mandatory academic year fees.

Eligible facilities that would be the subject of seismic remediation planning will be student services facilities that are funded from student fees or occupied by student services or programs. The cost of the planning studies will be proportionally shared by all occupants of the facilities.

Consistent with Berkeley campus practice, it is planned that two-thirds of the per-term fee support life-safety projects and one-third be directed to student financial aid. It is important to note that extension of the fee will not result in an increase in total student fees.

***Relevant Authorities***

The President is seeking the Regents' approval to extend the Life-Safety Fee, because as a matter of Presidential policy, the administration requests Regents' approval for compulsory campus-based student life-safety fees. The relevant policy is the University's Presidential "Policy on Compulsory Campus-Based Student Fees<sup>2</sup> (Policies Applying to Campus Activities, Organizations and Students)," dated March 22, 2007, which states:

**83.0 Exceptions to the Referenda Requirement**

83.10 A new compulsory campus-based student fee, or an increase to or renewal of an existing such fee, may be approved by the Regents subject to the President's and the Chancellor's recommendation, and does not require a student referendum, under any of the following circumstances:

83.12 When the Chancellor determines that a new fee or an increase to or renewal of an existing fee, is necessary for the health and safety of students, and when that fee or fee increase or renewal is specifically related to the maintenance of the safety of a building or other facility that is funded wholly or in significant part (as determined by the Chancellor with the concurrence of the Office of the President) by student fees. Safety issues are those that are potentially dangerous consistent with the standards set forth in the University Policy on Seismic Safety and the University Policy on Management of Health, Safety, and the Environment, as determined by the Chancellor with the concurrence of the Office of the President, such as those that relate to the risk of fire, the presence of asbestos, or the existence of seismic or other structural deficits.

(Attachment)

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<sup>2</sup> Available at <http://policy.ucop.edu/doc/2710528/PACAOS-80>.

**Projects Eligible for Life-Safety Fee Funding**

<b>Project</b>	<b>Description</b>	<b>Estimated Cost</b>
Dwinelle Annex	The Dwinelle Annex is currently rated as a level V (“poor”) building with serious implied risk to life. A study conducted in 2015 indicated that it would cost approximately \$11 million in today’s dollars to address seismic retrofitting to upgrade the building’s seismic rating from a level V to a level III (“good”), bring the building up to fire safety code, and address access issues. The funds requested for this project would cover those estimated costs as well as implementation costs for a revised Tier 3 Systematic Evaluation Procedure. Upon project completion, the building will be assigned to student services use for the campus Disabled Student Program.	\$11,100,000
Recreational Sports Facility	The Recreational Sports Facility (RSF) complex is comprised of four buildings and is currently utilized by students, staff, and faculty. RSF is considered 97.74 percent designated for student services by square footage. A recent Tier 1 seismic evaluation has shown that the bracing systems for all four structures are inadequate, as are the seismic separations between the structures, resulting in a level V rating. The requested funding would cover the estimated cost to implement a Tier 3 Systematic Evaluation Procedure, resulting in a full project estimate and budget to update the bracing systems and seismic separations. Those costs will likely be included in a future request for Life Safety Fee funding.	\$160,000
Cesar Chavez Center	The Cesar E. Chavez Student Center is a highly utilized student services building, primarily housing Equity and Inclusion programs as well as the Student Learning Center and services for Student Athletes and Transfer Students. The campus’s current seismic evaluation has rated this building as a level V (“poor”) with serious implied risk to life. The requested funding would cover the estimated cost to implement a Tier 3 Systematic Evaluation Procedure, resulting in a full project estimate and budget to upgrade this building’s seismic rating from a level V to a level III (“good”). Those costs will likely be included in a future request for Life Safety Fee funding.	\$150,000
Subtotal project costs		\$11,410,000
Project contingency (10%)		\$1,141,000
<b>Total (Project Costs + Contingency)</b>		<b>\$12,551,000</b>